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INSIDE THIS ISSUE

- Medfly Found in Imperial Valley
- New Use Proposed for Two Penthiopyrad Products on Pears
- AMS Announces Purchases for Distribution to Domestic Food Programs
- Agricultural Producers Cite Concerns over Trans-Pacific Partnership Agreement
- ITC Investigation to Examine Competitive Factors Affecting Agricultural Trade in China, U.S.
- GAO Report Identifies Gaps in the Food and Drug Administration's Oversight of Imported Food

SPECIFIC ISSUES OF INTEREST TO THE CPAB:

Medfly Found in Imperial Valley

- The California Department of Food and Agriculture (CDFA) recently confirmed the discovery of a single adult Mediterranean fruit fly (Medfly: *Ceratitidis capitata*) in a residential area of Calexico on May 4. It is the first discovery of Medfly in the Imperial Valley.
- A quarantine may be implemented if another fertile Medfly is found within 4.5 miles of the original discovery. Three areas in California are currently under quarantine for Medfly: the Santa Monica area in Los Angeles County, and the Fallbrook and Escondido areas in San Diego County.
- There have been no new detections of fertile Medfly in the region since this original detection. However, a sterile Medfly was discovered in a trap on May 6, which may have traveled from the quarantine areas of San Diego and Los Angeles Counties where sterile Medflies have been released in an effort to eradicate the wild Medfly population.

New Use Proposed for Two Penthiopyrad Products on Pears

- On May 12, the U.S. Environmental Protection Agency (EPA) announced the receipt of applications proposing the registration of new uses for several pesticide products.
- Included were applications proposing a new use for four pesticide products containing active ingredient penthiopyrad on pome fruit (including pears). The listed products are Penthiopyrad Technical Fungicide, Dupont Vertisan Fungicide, Dupont Treoris Fungicide, and Dupont Fontelis Fungicide.
- Comments are due by June 11, 2010. For more information or to submit a comment, please see: <http://edocket.access.gpo.gov/2010/pdf/2010-11298.pdf>.

AMS Announces Purchases for Distribution to Domestic Food Programs

- The U.S. Department of Agriculture's (USDA) Agricultural Marketing Service (AMS) recently announced the purchase of several pear products for distribution to needy families and other domestic food assistance programs. The purchased products will be delivered in the period from September 1, 2010 to November 15, 2010, or from September 16, 2010 to November 15, 2010, depending on the offer.
- The purchases were the result of offers made in response to USDA offers FV-400, Invitation 70 and FV-400, Invitation 64 (see the April 16, 2010 edition of the *BCI Monitor*).
- The following purchases have been made:
 - 117,648 cases of #10 canned sliced pears
 - 170,544 cases of #10 canned diced pears
 - 43,776 cases of #10 canned pear halves
 - 266,304 cases of #10 canned mixed fruit
- For more information, including a detailed breakdown of purchases from individual contractors, please see: <http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5084359>
<http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5084295>.



GENERAL ISSUES OF INTEREST TO THE CPAB:

Agricultural Producers Cite Concerns over Trans-Pacific Partnership Agreement

- On May 11, over 20 agriculture commodity groups submitted a letter to the Obama administration concerning the potential effects of the Trans-Pacific Partnership Agreement (TPP) on the status of existing free trade agreements with current and potential TPP members.
- The TPP is a regional Asia-Pacific FTA which already counts Brunei, Chile, New Zealand, and Singapore as members. Ongoing negotiations seek to expand the TPP to include the U.S., Australia, Peru, and Vietnam. The U.S. has existing bilateral FTAs with Chile (which entered into force in 2004), Singapore (2004), Australia (2005), and Peru (2009).
- The letter, which was spearheaded by the American Farm Bureau Association, expressed concerns over potential conflicts in the negotiations for the tariff schedules of the TPP and the existing tariff provision in the bilateral FTAs. Citing the carefully negotiated positions of each represented group to secure Congressional approval in the bilateral agreements, the letter claimed that opening agricultural market access and rules of origin provisions for review under the TPP would ultimately result in negative outcomes for the U.S. agricultural sector.
- In related news, the U.S. International Trade Commission (ITC) announced that it has initiated its investigation into the effects of the free trade agreements (FTAs) concluded with Chile, Singapore, and Australia. This report will build on the ITC's current investigation of the likely economic effects of the duty-free imports from potential and existing TPP member states on domestic producers of similar products (see the January 15, 2010 edition of the *BCI Monitor*).
- In this related report, ITC seeks to provide U.S. trade negotiators with background information on the separate effects of the existing bilateral FTAs. Due to its recent date of implementation, the Peru FTA will not be part of this review.
- The ITC's confidential report will be submitted to the USTR by December 13, 2010. The ITC will accept comments in regard to the investigation and report until June 22, 2010. For more information, please see: http://www.usitc.gov/press_room/news_release/2010/er0513hh1.htm.

ITC Investigation to Examine Competitive Factors Affecting Agricultural Trade in China and the U.S.

- The ITC recently announced that it will initiate an investigation into the competitive factors affecting agricultural trade between China and the U.S. The results of the investigation will be recorded in a report and submitted to the USTR by March 2011.
- The investigative report was prompted by an April 1 request filed by Max Baucus (D-MT) and Charles E. Grassley (R-IA) of the Senate Finance Committee. The report will include an overview of China's agricultural market; a description of factors affecting the agricultural sector in China; an overview of China's participation in global agricultural export markets, with special focus on the Asia-Pacific region; a description of the primary factors affecting Chinese agricultural exports; and an analysis of the economic effects of China's tariffs (most-favored nation rates as well as the preferential tariffs negotiated under various free trade agreements). The report will also investigate the non-tariff barriers China imposes on agricultural exports from the U.S. and other markets.
- The ITC will hold a public hearing on these issues on June 22, 2010. Requests to appear at the public hearing should be filed no later than May 25, 2010. Additionally, the ITC will accept written submissions until September 15, 2010. For more information, please see: <http://edocket.access.gpo.gov/2010/pdf/2010-10650.pdf>.

GAO Report Identifies Gaps in the Food and Drug Administration's Oversight of Imported Food

- The U.S. Government Accountability Office (GAO) recently released a report analyzing the efficacy of the Food and Drug Administration (FDA) in its regulatory oversight of imported food. The report, entitled "Food Safety: FDA Could Strengthen Oversight of Imported Food by Improving Enforcement and Seeking Additional Authorities" highlighted the gaps in the FDA's enforcement efforts in foreign safety inspections and offered recommendations to address these gaps.
- The GAO found that out of an estimated 189,000 foreign food facilities eligible to export food to the U.S., the FDA inspected only 153 such facilities in 2008. Although this is an increase from the 95 facilities inspected in 2007, inspection estimates for 2009 total just 200. FDA recently announced that it plans to inspect over 600 foreign facilities in 2010.
- The GAO also found that the lack of unique identifiers for each foreign establishment may allow imported food to evade examination at the point of entry and thus enter into the food supply without the required inspection. Additionally, the GAO highlighted the fact that the FDA has limited authority to penalize importers in the case of an import violation. To address these gaps, the GAO reiterated its previous recommendation that the FDA implement unique identifiers for foreign firms and seek statutory authority (from Congress, if need be) to oversee and effectively implement preventative control measures.
- Finally, GAO determined that the FDA lacks comprehensive recall authority for foreign foods unless the product is voluntarily recalled by the importer or distributor. Furthermore, the FDA is inconsistent in sharing pertinent recall information with state authorities, which may impede the states ability to quickly remove contaminated products from local stores. To this end, the GAO recommended that the FDA attain the authority to recall certain food products and increase the transparency of notifications for recalled food items.
- To view the GAO report in full, please see: <http://www.gao.gov/cgi-bin/getrpt?GAO-10-699T>.